

# TRADEMARK ASSIGNMENT

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Hall Wines, LLC		07/27/2011	LIMITED LIABILITY COMPANY: TEXAS
RECEIVING PARTY DATA			
Name:	JPMORGAN CHASE BANK, N.A.		
Street Address:	560 Mission Street, Floor 4		
City:	San Francisco		
State/Country:	CALIFORNIA		
Postal Code:	94105-2907		
Entity Type:	National Association: UNITED STATES		
PROPERTY NUMBERS Total: 15			
Property Type	Number	Word Mark	
Serial Number:	78926151	BERGFELD	
Serial Number:	78966328	DARWIN	
Serial Number:	78305048	EXZELLENZ	
Serial Number:	78259057	HALL	
Serial Number:	77371500		
Serial Number:	77371453		
Serial Number:	77371491		
Serial Number:	77371437		
Serial Number:	77371465		
Serial Number:	77268545	INSPIRE THE SENSES	
Serial Number:	77268598	INSPIRE THE SENSES	
Serial Number:	77268562	INSPIRE THE SENSES	
Serial Number:	77268614	INSPIRE THE SENSES	
Serial Number:	77268579	INSPIRE THE SENSES	

TRADEMARK

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OP \$390.00 78926151

Serial Number:	78201804	KATHRYN HALL
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**CORRESPONDENCE DATA**

Fax Number: (707)526-4707

*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*

Phone: 707.526.4200

Email: jmbehmke@cmprlaw.com

Correspondent Name: Jay M. Behmke

Address Line 1: 100 B Street Suite 400

Address Line 4: Santa Rosa, CALIFORNIA 95401-6376

ATTORNEY DOCKET NUMBER:	2472.2 SECURITY INTEREST
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NAME OF SUBMITTER:	Jay M. Behmke
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Signature:	/jmb163603/
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Date:	08/25/2011
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**Total Attachments: 18**

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## INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Security Agreement (this "**Agreement**") is entered into as of July 27, 2011, by and between HALL WINES, LLC, a Texas limited liability company ("**Grantor**") and JPMORGAN CHASE BANK, N.A., acting as administrative agent (in such capacity, and each successor thereto acting in such capacity, the "**Administrative Agent**") for the financial institutions which are from time to time parties, together with Grantor and the Administrative Agent, to the Loan Agreement in Recital A below (collectively, the "**Lenders**", and together with the Administrative Agent, the "**Secured Parties**").

### RECITALS

A. Pursuant to that certain Loan Agreement of even date herewith by and among Grantor, HALL WINES OF NAPA, L.P., a Delaware limited partnership, HALL HIGHWAY 29 WINERY, LLC, a Texas limited liability company, HALL ST. HELENA WINERY, LLC, a Texas limited liability company, and HALL ROESSLER, LLC, a Texas limited liability company (collectively, the "**Borrower**"), Administrative Agent and the Lenders (the "**Loan Agreement**"), the Lenders have agreed to extend certain credit facilities to the Borrower upon the terms and subject to the conditions set forth therein and in the Loan Documents (as defined therein).

B. The Lenders' obligations to extend the credit facilities to Borrower under the Loan Agreement are subject, among other conditions, to receipt by the Administrative Agent of this Agreement, duly executed by Grantor.

C. At the request of, and as an accommodation to, the Borrower, and as a further inducement to the Secured Parties to extend credit and provide other financial accommodations to the Borrower, and in consideration thereof, Grantor agrees to grant a security interest in the Intellectual Property Collateral (as defined below) to secure all of the Indebtedness (as defined below) as follows:

### AGREEMENT

1. **THE SECURITY.** Grantor hereby assigns and grants to the Secured Parties a security interest in all of Grantor's right, title and interest in and to the following property now owned or hereafter acquired by Grantor (collectively, the "**Intellectual Property Collateral**"):

(a) all (i) trademarks set forth on **Exhibit "A"** attached hereto and all service marks, collective membership marks, other trademarks, trade names, trade styles, registrations and applications for any of the foregoing and any goodwill associated with each of the foregoing; (ii) licenses, fees or royalties with respect to the items in subparagraph (a)(i) herein; (iii) the right to sue for past, present and future infringement, dilution and damages therefor, and (iv) licenses thereunder (collectively, the "**Intellectual Property**");

(b) accessions, attachments and other additions to the Intellectual Property Collateral;

(c) substitutes or replacements for any Intellectual Property Collateral, all proceeds, products, rents and profits of any Intellectual Property Collateral, all rights under contracts or licenses covering the Intellectual Property Collateral, all distribution rights, and any causes of action relating to the Intellectual Property Collateral; and

(d) books and records pertaining to any Intellectual Property Collateral, including but not limited to any computer-readable memory and any computer hardware or software necessary to process such memory ("**Books and Records**").

This Agreement grants only the security interest in the Intellectual Property Collateral herein described, and is not intended to and does not affect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any other action with respect to any intent to use trademark application, unless such action is permitted under 15 U.S.C. § 1060. Grantor expressly agrees that there

shall be no assignment of the Intellectual Property Collateral hereunder, unless and until the Secured Parties shall exercise its rights under Section 7 herein.

2. **THE INDEBTEDNESS.** The Intellectual Property Collateral secures and will secure all Indebtedness to the Secured Parties. "**Indebtedness**" means the obligations of the Borrower under the Loan Agreement, together with all other debts, obligations or liabilities now or hereafter existing, absolute or contingent, of Borrower to the Secured Parties, whether voluntary or involuntary, whether due or not due, or whether incurred directly or indirectly or acquired by the Secured Parties by assignment or otherwise. Indebtedness shall include, without limitation, all obligations of the Borrower arising under any Swap Contract. "**Swap Contract**" means any interest rate, credit, commodity or equity swap, cap, floor, collar, forward foreign exchange transaction, currency swap, cross currency rate swap, currency option, securities puts, calls, collars, options or forwards or any combination of, or option with respect to, these or similar transactions now or hereafter entered into between the Borrower and the Secured Parties.

3. **REPRESENTATIONS.** Grantor represents to the Secured Parties that:

- (a) the legal name of Grantor is as appears in the first paragraph of this Agreement;
- (b) Grantor has not used any trade name, assumed name or other name except Grantor's name stated in the first paragraph of this Agreement;
- (c) Grantor is a limited liability company duly organized, validly existing and in good standing under the laws of its state of organization, and this Agreement has been duly and validly authorized by all necessary company action on the part of Grantor;
- (d) except for liens expressly permitted under the terms of the Loan Agreement, Grantor has not granted any security interest in any of the Intellectual Property Collateral except to the Secured Parties;
- (e) Grantor has good and marketable title and has not granted any assignments to the Intellectual Property Collateral;
- (f) there are no claims, actions, proceedings or investigations pending or, to the actual knowledge of Grantor, threatened against Grantor or affecting the Intellectual Property Collateral with respect to any violations of any applicable laws, rule or regulations which would have a Material Adverse Effect (as such term is defined in the Loan Agreement);
- (g) Exhibit A accurately lists all Intellectual Property owned or controlled by Grantor as of the date hereof and accurately reflects the existence and status of Intellectual Property and all applications and registrations pertaining thereto as of the date hereof; provided, however, that Exhibit A need not list common law marks that are not material to Grantor's or any affiliate of Grantor's businesses. If after the date hereof, Grantor owns or controls any Intellectual Property not listed on Exhibit A (other than common law marks which are not material to Grantor's or any affiliate of Grantor's businesses), or if Exhibit A ceases to accurately reflect the existence and status of applications and registrations pertaining to the Intellectual Property, then Grantor shall promptly provide written notice to the Secured Parties with a replacement Exhibit A, which upon acceptance by the Secured Parties shall become part of this Agreement; and
- (h) as of the date hereof, no affiliate of Grantor owns, controls, or has a right to have assigned to it any items that would, if such item were owned by Grantor, constitute Intellectual Property Collateral. If after the date hereof any affiliate of Grantor owns, controls, or has a right to have assigned to it any such items, then Grantor shall promptly either: (i) cause such affiliate to assign all of its rights in such items to Grantor; or (ii) notify the Secured Parties of such items and cause such affiliate to execute and deliver to the Secured Parties a security agreement substantially in the form of this Agreement.

Grantor's submission of any report, record or other information pertaining to the condition or operations, financial or otherwise, of Grantor, from time to time, whether or not required under this Agreement, will be

deemed accompanied by a representation by Grantor that the report, record or information is complete and accurate in all Material (as defined in the Loan Agreement) respects as to the condition or operations of Grantor, including, without limitation, all Material contingent liabilities.

4. GRANTOR'S COVENANTS. Until such time as all Indebtedness have been paid in full and the Secured Parties have no obligation to make additional advances on the credit facilities under the Loan Agreement:

(a) Grantor shall promptly (i) notify the Administrative Agent in writing of any newly acquired or created Intellectual Property; (ii) register any such newly acquired or created Intellectual Property; and (iii) consent to any actions of the Secured Parties necessary to properly perfect as to the such newly acquired or created Intellectual Property;

(b) Grantor shall properly preserve, maintain and care for the Intellectual Property Collateral; defend at Grantor's own expense the Intellectual Property Collateral against any adverse claims and demands; and keep complete, current, and accurate Books and Records with respect to the Intellectual Property Collateral and any proceeds or collections;

(c) Grantor shall notify the Administrative Agent in writing prior to any change in (i) Grantor's name, identity or business structure or (ii) the location(s) of (A) Grantor's place of business or Grantor's chief executive office if Grantor has more than one place of business, (B) Grantor's state of organization, or (C) Grantor's Books and Records concerning any Intellectual Property Collateral;

(d) Grantor shall promptly notify the Administrative Agent in writing of any event which affects the value of the Intellectual Property Collateral, the ability of Grantor or the Secured Parties to dispose of the Intellectual Property Collateral, or the rights and remedies of the Secured Parties in relation thereto, including, but not limited to, (i) the levy of any legal process against any Intellectual Property Collateral; (ii) any infringement litigation or actions; and (iii) the adoption of any arrangement or procedure affecting the Intellectual Property Collateral, whether governmental or otherwise;

(e) Grantor shall timely file and pay all renewal fees or other fees or costs associated with any Intellectual Property;

(f) except for liens expressly permitted under the terms of this Agreement or the Loan Agreement, Grantor will not grant any security interest in any of the Intellectual Property Collateral except to the Secured Parties, and will keep the Intellectual Property Collateral free of all liens, claims, security interests and encumbrances of any kind or nature except the security interest of the Secured Parties and such permitted liens;

(g) Grantor shall pay all costs necessary to preserve, defend, enforce and collect the Intellectual Property Collateral, including but not limited to any costs to perfect the Secured Parties' security interest. Without waiving Grantor's default for failure to make any such payment, the Secured Parties at its option may pay any such costs and expenses, discharge encumbrances on the Intellectual Property Collateral, and pay for insurance of the Intellectual Property Collateral, and such payments shall be a part of the Indebtedness and bear interest at the rate set out in the Indebtedness. Grantor agrees to reimburse the Secured Parties on demand for any costs so incurred;

(h) unless and until an Event of Default occurs and remains uncured, Grantor will (i) diligently control and manage the Intellectual Property, including exercising the right to exclude others from making, using or selling items covered by the Intellectual Property and any licenses thereunder; and (ii) collect any payments, royalties, licenses or fees related to the Intellectual Property;

(i) Grantor will not sell, lease, transfer, encumber or otherwise dispose of the Intellectual Property, or agree to sell, lease, transfer, encumber or otherwise dispose of any Intellectual Property; provided, however, that a Permitted Transfer (as defined in the Loan Agreement) is permitted so long as the transferee enters into a security agreement in the form and substance of this Agreement with respect to any such Permitted Transfer of Intellectual Property;

(j) if Grantor fails to perform or observe any of its covenants or agreements set forth in this Agreement, and if such failure continues for a period of ten (10) calendar days after the Administrative Agent gives Grantor written notice thereof (or, in the case of the agreements contained in subparagraph (g), immediately upon the occurrence of such failure, without notice or lapse of time), or if Grantor notifies the Administrative Agent that it intends to abandon any Intellectual Property Collateral, the Secured Parties may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of Grantor (or, at the Secured Parties' option, in the Secured Parties' own name) and may (but need not) take any and all other actions which the Secured Parties may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment;

(k) Grantor will execute and deliver such additional documents as may be reasonably requested by the Secured Parties in connection with the Secured Parties' security interest in the Intellectual Property Collateral, including all assignments, transfers and other documents required by the Secured Parties to transfer to the Secured Parties, all rights to payment, accounts, general intangibles and benefits related to the Intellectual Property Collateral; and

(l) to facilitate the Secured Parties' taking action where permitted under this Agreement and exercising its rights under Article 6, Grantor hereby irrevocably appoints (which appointment is coupled with an interest) the Administrative Agent, or its delegate, as the attorney-in-fact of Grantor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of Grantor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by Grantor under this Agreement, or, necessary for the Secured Parties, after an Event of Default, to enforce or use the Intellectual Property or to grant or issue any exclusive or non-exclusive license under the Intellectual Property to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Intellectual Property to any third party. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Loan Agreement as provided therein and the payment and performance of all Obligations thereunder.

5. **ADDITIONAL OPTIONAL REQUIREMENTS.** The Secured Parties may at its option at any time, whether or not Grantor is in default:

(a) require Grantor to deliver to the Administrative Agent (i) copies of or extracts from the Books and Records (ii) records and schedules which show the status and condition of the Intellectual Property Collateral and where it is located, and (iii) information on any contracts or other matters affecting the Intellectual Property Collateral;

(b) require Grantor to permit the Administrative Agent to inspect the Intellectual Property Collateral; and

(c) notify or require Grantor to notify any account debtor to forward all payments and proceeds of the Intellectual Property Collateral to the Secured Parties.

6. **EVENTS OF DEFAULT.** The following each shall be an event of default under this Agreement (an "Event of Default"):

(a) an Event of Default under the Loan Agreement, which is not cured within any grace or cure period specified therein, if any; and

(b) Grantor breaches any term, provision, warranty or representation under this Agreement; provided, however, that if (i) such misrepresentation was not intentional, and (ii) the condition causing the representation or warranty to be false is susceptible of being cured, the same shall be a default hereunder only if the same is not cured within thirty (30) days after written notice to Grantor from the Secured Parties.

7. REMEDIES. Upon the occurrence of an Event of Default, the Secured Parties may:
- (a) pursue any or all remedies as set forth in this Agreement or the Loan Agreement;
  - (b) sell, assign, transfer, pledge, encumber or otherwise dispose of the Intellectual Property;
- and
- (c) enforce the Intellectual Property and any licenses thereunder, and if the Secured Parties shall commence any suit for such enforcement, Grantor shall, at the request of the Secured Parties, do any and all lawful acts and execute any and all proper documents required by the Secured Parties in aid of such enforcement.

8. NOTICES. All notices, approvals, consents, and other communications, under this Agreement ("Notices") must be given in accordance with and will be subject to the terms and provisions of the Loan Agreement. If to the Secured Parties, to 560 Mission Street, Floor 4, San Francisco, CA 94105-2907, Attention: Lisa P. Mahaney; and in the case of any other person, to the address designated by that person in a notice to Grantor and the Secured Parties.

9. GOVERNING LAW; VENUE, SERVICE OF PROCESS. This Agreement shall be construed in accordance with and governed by the internal laws (and not the law of conflicts) of the State of California (including, without limitation, California Civil Code Section 1646.5), but giving effect to federal laws applicable to national banks.

The Grantor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any United States Federal or California State court sitting in San Francisco, California, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in California State court or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Secured Parties may otherwise have to bring any action or proceeding relating to this Agreement against Obligor or its properties in the courts of any jurisdiction.

The Grantor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in Section 10 hereof. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 8. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

10. DISPUTE RESOLUTION PROVISION. GRANTOR WAIVES, TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, ANY RIGHT THE UNDERSIGNED MAY HAVE TO CLAIM OR RECOVER FROM THE SECURED PARTIES IN ANY LEGAL ACTION OR PROCEEDING ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES.

EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH

OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.

IN THE EVENT ANY LEGAL PROCEEDING IS FILED IN A COURT OF THE STATE OF CALIFORNIA (THE "COURT") BY OR AGAINST GRANTOR OR THE SECURED PARTIES IN CONNECTION WITH ANY CONTROVERSY, DISPUTE OR CLAIM DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY) (EACH, A "CLAIM") AND THE WAIVER SET FORTH IN THE PRECEDING PARAGRAPH IS NOT ENFORCEABLE IN SUCH ACTION OR PROCEEDING, GRANTOR AND THE SECURED PARTIES (BY ITS ACCEPTANCE HEREOF) AGREE AS FOLLOWS:

(1) WITH THE EXCEPTION OF THE MATTERS SPECIFIED IN PARAGRAPH 2 BELOW, ANY CLAIM WILL BE DETERMINED BY A GENERAL REFERENCE PROCEEDING IN ACCORDANCE WITH THE PROVISIONS OF CALIFORNIA CODE OF CIVIL PROCEDURE SECTIONS 638 THROUGH 645.2. GRANTOR AND THE SECURED PARTIES INTEND THIS GENERAL REFERENCE AGREEMENT TO BE SPECIFICALLY ENFORCEABLE IN ACCORDANCE WITH CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638. EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, VENUE FOR THE REFERENCE PROCEEDING WILL BE IN THE STATE OR FEDERAL COURT IN THE COUNTY OR DISTRICT WHERE VENUE IS OTHERWISE APPROPRIATE UNDER APPLICABLE LAW.

(2) THE FOLLOWING MATTERS SHALL NOT BE SUBJECT TO A GENERAL REFERENCE PROCEEDING: (A) NON-JUDICIAL FORECLOSURE OF ANY SECURITY INTERESTS IN REAL OR PERSONAL PROPERTY; (B) EXERCISE OF SELF-HELP REMEDIES (INCLUDING, WITHOUT LIMITATION, SET-OFF); (C) APPOINTMENT OF A RECEIVER; AND (D) TEMPORARY, PROVISIONAL OR ANCILLARY REMEDIES (INCLUDING, WITHOUT LIMITATION, WRITS OF ATTACHMENT, WRITS OF POSSESSION, TEMPORARY RESTRAINING ORDERS OR PRELIMINARY INJUNCTIONS). THIS AGREEMENT DOES NOT LIMIT THE RIGHT OF GRANTOR OR THE SECURED PARTIES TO EXERCISE OR OPPOSE ANY OF THE RIGHTS AND REMEDIES DESCRIBED IN CLAUSES (A) - (D) AND ANY SUCH EXERCISE OR OPPOSITION DOES NOT WAIVE THE RIGHT OF GRANTOR OR THE SECURED PARTIES TO A REFERENCE PROCEEDING PURSUANT TO THIS AGREEMENT.

(3) UPON THE WRITTEN REQUEST OF GRANTOR OR ADMINISTRATIVE AGENT, GRANTOR AND ADMINISTRATIVE AGENT SHALL SELECT A SINGLE REFEREE, WHO SHALL BE A RETIRED JUDGE OR JUSTICE. IF GRANTOR AND ADMINISTRATIVE AGENT DO NOT AGREE UPON A REFEREE WITHIN TEN (10) DAYS OF SUCH WRITTEN REQUEST, THEN, GRANTOR OR ADMINISTRATIVE AGENT, MAY REQUEST THE COURT TO APPOINT A REFEREE PURSUANT TO CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 640(B).

(4) ALL PROCEEDINGS AND HEARINGS CONDUCTED BEFORE THE REFEREE, EXCEPT FOR TRIAL, SHALL BE CONDUCTED WITHOUT A COURT REPORTER, EXCEPT WHEN GRANTOR OR ADMINISTRATIVE AGENT SO REQUESTS, A COURT REPORTER WILL BE USED AND THE REFEREE WILL BE PROVIDED A COURTESY COPY OF THE TRANSCRIPT. THE PARTY MAKING SUCH REQUEST SHALL HAVE THE OBLIGATION TO ARRANGE FOR AND PAY COSTS OF THE COURT REPORTER, PROVIDED THAT SUCH COSTS, ALONG WITH THE REFEREE'S FEES, SHALL ULTIMATELY BE BORNE BY THE PARTY WHO DOES NOT PREVAIL, AS DETERMINED BY THE REFEREE.

(5) THE REFEREE MAY REQUIRE ONE OR MORE PREHEARING CONFERENCES. GRANTOR AND ADMINISTRATIVE AGENT SHALL BE ENTITLED TO DISCOVERY, AND THE REFEREE SHALL OVERSEE DISCOVERY IN ACCORDANCE WITH THE RULES OF DISCOVERY, AND MAY ENFORCE ALL DISCOVERY ORDERS IN THE SAME MANNER AS ANY TRIAL COURT JUDGE IN PROCEEDINGS AT LAW IN THE STATE OF CALIFORNIA. THE REFEREE SHALL APPLY THE RULES OF



EVIDENCE APPLICABLE TO PROCEEDINGS AT LAW IN THE STATE OF CALIFORNIA AND SHALL DETERMINE ALL ISSUES IN ACCORDANCE WITH APPLICABLE STATE AND FEDERAL LAW. THE REFEREE SHALL BE EMPOWERED TO ENTER EQUITABLE AS WELL AS LEGAL RELIEF AND RULE ON ANY MOTION WHICH WOULD BE AUTHORIZED IN A TRIAL, INCLUDING, WITHOUT LIMITATION, MOTIONS FOR DEFAULT JUDGMENT OR SUMMARY JUDGMENT. THE REFEREE SHALL REPORT THE REFEREE'S DECISION, WHICH REPORT SHALL ALSO INCLUDE FINDINGS OF FACT AND CONCLUSIONS OF LAW.

(6) GRANTOR AND THE SECURED PARTIES RECOGNIZE AND AGREE THAT ALL CLAIMS RESOLVED IN A GENERAL REFERENCE PROCEEDING PURSUANT HERETO WILL BE DECIDED BY A REFEREE AND NOT BY A JURY.

11. MISCELLANEOUS.

(a) Any waiver, express or implied, of any provision hereunder and any delay or failure by the Secured Parties to enforce any provision shall not preclude the Secured Parties from enforcing any such provision thereafter.

(b) The Grantor shall, at the request of the Secured Parties, execute such other agreements, documents, instruments, or financing statements in connection with this Agreement as the Secured Parties may reasonably deem necessary.

(c) All notes, security agreements, subordination agreements and other documents executed by Grantor or furnished to the Secured Parties in connection with this Agreement must be in form and substance satisfactory to the Secured Parties.

(d) All rights and remedies herein provided are cumulative and not exclusive of any rights or remedies otherwise provided by law. Any single or partial exercise of any right or remedy shall not preclude the further exercise thereof or the exercise of any other right or remedy.

(e) All terms not defined herein are used as set forth in the Uniform Commercial Code.

(f) In the event of any action by the Secured Parties to enforce this Agreement or to protect the security interest of the Secured Parties in the Intellectual Property Collateral, or to take possession of, hold, preserve, process, assemble, insure, prepare for sale or lease, market for sale or lease, sell or lease, or otherwise dispose of, any Intellectual Property Collateral, Grantor agrees to pay immediately the costs and expenses thereof, together with reasonable attorney's fees and allocated costs for in-house legal services to the extent permitted by law.

(g) In the event the Secured Parties seeks to take possession of any or all of the Intellectual Property Collateral by judicial process, Grantor hereby irrevocably waives any bonds and any surety or security relating thereto that may be required by applicable law as an incident to such possession, and waives any demand for possession prior to the commencement of any such suit or action.

(h) This Agreement shall constitute a continuing agreement, applying to all future as well as existing transactions, whether or not of the character contemplated at the date of this Agreement, and if all transactions between the Secured Parties and Grantor shall be closed at any time, shall be equally applicable to any new transactions thereafter.

(i) The Secured Parties' rights hereunder shall inure to the benefit of its successors and assigns. In the event of any assignment or transfer by the Secured Parties of any of the Indebtedness or the Intellectual Property Collateral, the Secured Parties thereafter shall be fully discharged from any responsibility with respect to the Intellectual Property Collateral so assigned or transferred, but the Secured Parties shall retain all rights and powers hereby given with respect to any of the Indebtedness or the Intellectual Property Collateral not so assigned or transferred. All representations, warranties and

agreements of Grantor if more than one, are joint and several and all shall be binding upon the personal representatives, heirs, successors and assigns of Grantor.

[SIGNATURES ON FOLLOWING PAGE]

Grantor is signing this Intellectual Property Security Agreement effective as of the day and year first written above.

**GRANTOR:**

HALL WINES, LLC,  
a Texas limited liability company

By: 

Name: Larry E. Levey

Title: Executive Vice President

**ADMINISTRATIVE AGENT:**

JPMORGAN CHASE BANK, N.A.,  
as Administrative Agent and as a Lender

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Grantor is signing this Intellectual Property Security Agreement effective as of the day and year first written above.

**GRANTOR:**

HALL WINES, LLC,  
a Texas limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ADMINISTRATIVE AGENT:**

JPMORGAN CHASE BANK, N.A.,  
as Administrative Agent and as a Lender

By: \_\_\_\_\_

Name: LISA P. MAHAFFEY

Title: SENIOR VICE PRESIDENT

**Exhibit "A"**

# Hall Wines, LLC




Trademark Status Chart

July 2011

MARK	COUNTRY	APP/REG NO.	CLASS: GOODS/SERVICES	STATUS	NEXT ACTION DUE
UNITED STATES					
<b>BERGFELD</b>	USA	App. No. 78/926,151	Int'l Class 33: Wine.	Filed 07/10/2006	06/09/2015 File Declaration of Use
		Reg. No. 3,635,403	First Use: 09/00/2006 First Use in Commerce: 09/00/2006	Registered 06/09/2009	06/09/2019 Renew registration
<b>DARWIN</b>	USA	App. No. 78/966,328	Int'l Class 33: Wine.	Filed 09/01/2006	02/05/2014 File Declaration of use
		Reg. No. 3,379,721	First Use: 12/21/2006 First Use in Commerce: 12/21/2006	Registered 02/05/2008	02/05/2018 Renew registration
<b>EXZELLEENZ</b>	USA	App. No. 78/305,048	Int'l Class 33: Wine.	Filed 09/24/2003	04/14/2015 File Declaration of Use
		Reg. No. 3,607,526	First Use: 01/24/2009 First Use in Commerce: 01/24/2009	Registered 04/14/2009	04/14/2019 Renew registration
<b>HALL</b>	USA	App. No. 78/259,057	Int'l Class 33: Wine.	Filed 06/05/2003	07/12/2015 Renew registration
		Reg. No. 2,968,438	First Use: 01/01/2004 First Use in Commerce: 01/01/2004	Registered 07/12/2005	




Updated 07/25/2011

Unless otherwise indicated, owner is  
Hall Wines, LLC

MARK	COUNTRY	APP/REG NO.	CLASS: GOODS/SERVICES	STATUS	NEXT ACTION DUE
<b>Hall Wines Logo Design</b> 	USA	App. No. 77/371,500	Int'l Class 21: Wine accessories, namely, wine buckets, cooling buckets for wine, wine pourers, wine strainers, decanters, wine glasses, vacuum pumps for wine bottles and corkscrews.  First Use: ITU First Use in Commerce: ITU	Declaration of Use filed 01/24/2011  Filed 01/14/2008  Office Action issued 04/25/2008; Response filed 10/16/2008  Published 12/09/2008  Allowed 03/03/2009  Extension filed 03/02/2011	09/03/2011 File Statement of Use or Extension
<b>Hall Wines Logo Design</b> 	USA	App. No. 77/371,453  Reg. No. 3,632,435	Int'l Class 33: Wine.  First Use: 02/09/2008 First Use in Commerce: 02/09/2008	Filed 01/14/2008  Registered 06/02/2009	06/02/2015 File Declaration of Use  06/02/2019 Renew registration
<b>Hall Wines Logo Design</b> 	USA	App. No. 77/371,491  Reg. No.	Int'l Class 35: Retail store services featuring wine and wine accessories.	Filed 01/14/2008  Registered	11/24/2015 File Declaration of Use

Updated 07/25/2011

Unless otherwise indicated, owner is  
Hall Wines, LLC

MARK	COUNTRY	APP/REG NO.	CLASS: GOODS/SERVICES	STATUS	NEXT ACTION DUE
		3,715,961	First Use: 08/04/2009 First Use in Commerce: 08/04/2009	11/24/2009	11/24/2019 Renew registration
<b>Hall Wines Logo Design</b> 	USA	App. No. 77/371,437 Reg. No. 3,632,434	Int'l Class 41: Entertainment services, namely, wine tastings.  First Use: 01/00/2008 First Use in Commerce: 01/00/2008	Filed 01/14/2008  Registered 09/02/2009	06/02/2015 File Declaration of Use  06/02/2019 Renew registration
<b>Hall Wines Logo Design</b> 	USA	App. No. 77/371,465 Reg. No. 3,706,021	Int'l Class 43: Providing information about wine characteristics, wine and food pairing, and wine selection; providing temporary lodging accommodations.  First Use: 08/26/2009 First Use in Commerce: 08/26/2009	Filed 01/14/2008  Registered 11/03/2009	11/03/2015 File Declaration of Use  11/03/2019 Renew registration
<b>INSPIRE THE SENSES</b>	USA	App. No. 77/268,545	Int'l Class 21: Wine accessories, namely, wine buckets, cooling buckets for wine, wine pourers, wine strainers, decanters, wine glasses, vacuum pumps for wine bottles and corkscrews.	Filed 08/30/2007  Office Action issued 12/06/2007; Response filed 05/08/2008	10/14/2011 File Statement of Use

Updated 07/25/2011

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Hall Wines, LLC



MARK	COUNTRY	APP/REG NO.	CLASS: GOODS/SERVICES	STATUS	NEXT ACTION DUE
			First Use: ITU First Use in Commerce: ITU	Examiner's Amendment issued 06/18/2008 Published 07/22/2008 Allowed 10/14/2008 Extension filed 04/05/2011	
INSPIRE THE SENSES	USA	App. No. 77/268,598 Reg. No. 3,722,879	Int'l Class 33: Wine. First Use: 09/10/2009 First Use in Commerce: 09/10/2009	Filed 08/30/2007 Registered 12/08/2009	12/08/2015 File Declaration of Use 12/08/2019 Renew registration
INSPIRE THE SENSES	USA	App. No. 77/268,562 Reg. No. 3,588,105	Int'l Class 35: Retail store services featuring wine and wine accessories. First Use: 08/25/2008 First Use in Commerce: 08/25/2008	Filed 08/30/2007 Registered 03/10/2009	03/10/2015 File Declaration of Use 03/10/2019 Renew registration
INSPIRE THE SENSES	USA	App. No. 77/268,614	Int'l Class 41: Entertainment services, namely, wine tastings.	Filed 08/30/2007 Registered	03/10/2015 File Declaration of Use


Updated 07/25/2011

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MARK	COUNTRY	APP/REG NO.	CLASS: GOODS/SERVICES	STATUS	NEXT ACTION DUE
INSPIRE THE SENSES		Reg. No. 3,588,107	First Use: 08/25/2008 First Use in Commerce: 08/25/2008	03/10/2009	03/10/2019 Renew registration
	USA	App. No. 77/268,579	Int'l Class 43: Providing information about wine characteristics, wine and food pairing, and wine selection.	Filed 08/30/2007	02/09/2016 File Declaration of Use
		Reg. No. 3,747,244	First Use: 08/03/2009 First Use in Commerce: 08/03/2009	Registered 02/09/2010	02/09/2020 Renew registration
KATHRYN HALL	USA	App. No. 78/201,804	Int'l Class 33: Wine.	Filed 01/09/2003	11/02/2014 Renew registration
		Reg. No. 2,899,419	First Use: 00/00/1999 First Use in Commerce: 00/00/1999	Registered 11/02/2004  Declaration of Use filed 08/16/2010	
CHINA					
HALL	China	App. No.	Int'l Class 33: Wine.	Filed 06/28/2011	12/13/2011 Check status of application
KATHRYN HALL	China	App. No.	Int'l Class 33: Wine.	Filed 06/28/2011	12/13/2011 Check status of application
JAPAN					
HALL	Japan	App. No.	Int'l Class 33: Wine.	Filing instructed 06/13/2011	12/13/2011 Check status of application

Updated 07/25/2011

Unless otherwise indicated, owner is  
Hall Wines, LLC

MARK	COUNTRY	APP/REG NO.	CLASS: GOODS/SERVICES	STATUS	NEXT ACTION DUE
KATHRYN HALL	Japan	App. No.	Int'l Class 33: Wine.	Filing instructed 06/13/2011	12/13/2011 Check status of application
<b>ABANDONED / CANCELED / LAPSED TRADEMARKS</b>					
<b>K (Stylized) &amp; Design</b> 	USA	App. No. 78/201,807	Int'l Class 33: Wine.	Filed 01/09/2003	None
		Reg. No. 2,784,456	First Use: 00/00/1999 First Use In Commerce: 00/00/1999	Registered 11/18/2003  Per client, allow registration to lapse 11/10/2009  Owner: Kathryn Hall Vineyards, LLC	

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## BRAND NAMES

Angler Wines*	Kathryn Hall Cellars	Pine Ridge
Balcom Family Cellars*	Kathryn Hall Co.	Priest Ranch*
Beau Vigne*	Kathryn Hall Company	Roessler
Bergfeld	Kathryn Hall Estate	Roessler Cellars
Chateau Kathryn Hall	Kathryn Hall Estates	Roessler Estates
Chateau Roessler	Kathryn Hall Vineyard	Roessler Vineyard and Winery
Coniglio*	Kathryn Hall Vineyards & Winery	Roessler Vineyards
Coniglio Wine Company*	Kathryn Hall Wine	Roessler Wines
Cross Cellars*	Kathryn Hall Wine Cellars	Somerstone
De Sante	Kathryn Hall Wine Co.	Starla Wine Co*
Domaine Kathryn Hall	Kathryn Hall Wine Company	Darwin
Domaine Roessler	Kathryn Hall Winery	Ellie's
Dovetail Vineyards*	Kathryn Hall Winery	Founder's Circle
Excellenz	Kathryn Hall Winery & Vineyards	Jack's Masterpiece
Franz Hill Vineyard*	Kathryn Hall Wines	Napa River Ranch
Front Row Wines*	Kelleher Family Vineyards*	Portrait
Gamble	Lieff*	Red House
Hall	Lieff Wines*	Sacrashe Vineyard
Hall Cellars	Long Vineyards	Segassia Vineyard
Hall Estate	Longmeadow Ranch	T Bar Ranch
Hall Vineyards and Winery	M. Meza Cellars*	T Bar T Ranch
Hall Winery	Michael Austin*	T-T Ranch
Hall Wines	Morey Cellars*	
Highflyer*	Orin Swift Cellars*	
Hunter III Wines*	Peacock Family Vineyards*	
Kathryn Hall		

\*Used for contract bottling or Packaging/Branding Purposes.